

Marketing Plan

FY 2012-2013

CHANDLER

ARIZONA

City of Chandler
Economic Development Division
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Overview

Purpose - Economic Development Division

The purpose of the City of Chandler Economic Development Division is to attract and preserve quality retail, industrial, office, downtown redevelopment and tourism development that will enhance employment opportunities and improve Chandler's tax base. The Division will meet this mission through an aggressive economic development program based on recruiting new business and assisting existing businesses to remain or expand in Chandler while attracting regional, national and international visitors to community facilities.

GOALS

The Economic Development Division will continue employing and refining successful strategies from previous years to attract high-end development projects that will strengthen Chandler's economy and quality of life. Staff will also maintain its successful efforts to add industries to diversify Chandler's employment base and place them into strategic geographic locations. The Division will use a variety of marketing methods and strategies to effectively communicate Chandler's strengths, strong business climate in addition to a great retail and industrial business development opportunities. Staff will also accelerate activities that will position Chandler as a destination for local, national, and international visitors.

Economic Development staff will continue working extensively with the Greater Phoenix Economic Council (GPEC), the Arizona Commerce Authority (ACA) and the Chandler Chamber of Commerce on business development and state/regional strategic issues. For tourism development programs, staff will work closely with the Arizona Office of Tourism (AOT), and local and national Convention and Visitors Bureaus.

FISCAL YEAR 2012-2013 SITUATION ANALYSIS

The Great Recession took its toll on the U.S. economy as we continue to see struggles with the increasing deficit at the Federal level, sluggish job growth at the national level, and slower than expected earnings reports affecting manufacturing and growth through the US. This situation is not unique to the US, with virtually all countries struggling to find their way in this new marketplace while trying to correct the global situation. One of the challenges now faced by the US economy is the collapse of other countries financial position, which could have a further reverberating effect particularly on US manufacturing and the sale of goods.

Arizona's economy continues to move through its thoughtful and cautious recovery phase. Commercial vacancy rates remain high in the region, particularly in the retail sector, with a glut of space on the market. The surplus of "big box" space, predominately caused by failed retailers, will continue to haunt this market for many years to come. Consumers and businesses are slowly starting to spend again, but they are cautiously watching the upcoming elections process. Many industries that had been moving strongly forward into recovery, are now taking a "wait and see" attitude with regards to policies that, when implemented, could affect their bottom line. With the tremendous amount of large retail space on the market, a focus on reuse and redevelopment will become commonplace as we try to move through this excess capacity.

The industrial/office market has fared significantly better in recovery, with vacancy rates falling across the Metro market. Companies have seen lease rates reset themselves to a much more palatable number, and it is believed that the flight to quality will continue for the coming year.

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While this usually is seen as a sign that the vacancy rates in older buildings will rise, a significant number of larger industrial buildings have seen tenancy throughout the past two years with the pent-up demand of manufacturers and warehouse users finally breaking through the beleaguered credit markets. In fact, there is an incredibly short supply of larger industrial buildings in the Metro market at this time, with several developers considering construction of new large industrial buildings, particularly in the West Valley.

Chandler's employment market continues to show tremendous resiliency with nearly 2,000 new base employment jobs being created during this fiscal year, for a total of 8,000 jobs created during the last 24 months. These new locations have driven the office vacancy rate in Chandler from a high of 25% in January 2010, down to nearly 5% in June 2012. As a comparison, the Metro market is currently experiencing a 26.1% average vacancy rate in office space, with some submarkets as high as 50%. With Chandler's employment markets showing strong activity, Chandler will continue to rate higher than average in job creation for the coming year. Due to its continued focus on job creation, Chandler remains in a strong position to attract new companies looking at expansion or new locations in this market.

Although Chandler's unemployment rate (5.9%) is still significantly below the national and State average of 8.2%, it is still at its highest rate in a decade. 330,000 jobs have been lost in the Metro market in the past five years. Construction, which was the primary loss of jobs in the Metro market during this recession, is finally starting to see some activity again particularly in the residential arena. Residential markets have seemingly stabilized, particularly in the Southeast Valley. Chandler is seeing new life breathed into stalled residential projects and has seen tremendous activity on the multi-family front. Further, the MLS listing representing Chandler has shown offers on most homes under the \$300,000 range. Commercial construction activity is slowly moving forward again but the Metro market has tremendous inventory to "burn through" especially in the office markets before any real new construction will be seen on the commercial front. With that said, Chandler has the first new speculative office building under construction in this market since the recession began. This 92,000 square foot building in the Price Corridor has already secured a full building tenant and is planned for occupancy in December of this year. The strength this first project has shown has caused several developers to now consider new product construction in Chandler during the coming year.

Although growth will most likely not return to the record levels set from 2001-2007, a new "normal" has found its way. Several corporate giants are under construction with large expansions and companies are still finding Chandler an attractive place to do business. Intel is under construction with its newest FAB 42, the largest FAB in the world to date. This project alone will create more than 6,000 construction jobs and 1,000 permanent jobs. Further, Chandler's "book of business" continues to be very strong with significant industrial and office activity continuing into 2012-2013. Overall, the Chandler market continues to be well positioned for new and expanding companies in the coming years.

ECONOMIC DEVELOPMENT ADVISORY BOARD

The City of Chandler Economic Development Advisory Board is a Mayor appointed, volunteer board that is responsible for giving policy-level input into the economic development program and related activities. In that capacity, the Advisory Board serves as public forum for economic

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development policy discussion and presents findings and recommendations of such discussion to Mayor and City Council. The Advisory Board will continue making recommendations to the Mayor and Council on economic development issues, including economic development goal setting, policy recommendations, strategic planning, marketing, and market analysis for business recruitment and expansion/retention activities.

Board member input is derived from several industry categories: Large Business, Small Business, School District, Higher Education, Banking or Financial Services, Real Estate, Chamber of Commerce and At-large Business.

FISCAL YEAR 2012-2013 OBJECTIVES

1. Continue to drive down vacancy rates in the commercial sectors by increasing recruitment and expansion efforts through targeted and key markets. Work on new development opportunities that will position Chandler to take advantage of company's flight to quality and expansion needs in the coming years.
2. Continue progress towards achieving the key goals and priorities outlined in both the Next Twenty-A New Progressive Agenda for Chandler (March 2007) and the identified goals of Chandler's City Council set forth in March 2011 for the next twenty-four months.
3. Focus on the Mayor's Four-Corner Retail Report and the Infill Incentive Program (Commercial Reinvestment Program) to address under-performing retail corners.
4. Identify and recruit destination recreation/entertainment opportunities.
5. Complete the infrastructure development of Continuum, a Science and Technology Park, at the former Motorola Campus by year end 2012.
6. Work with early stage companies for location opportunities at Chandler's technology incubator, Innovations.

Work with targeted companies to identify and select their corporate location in Chandler's Downtown office market.

RETAIL

RETAIL SITUATION ANALYSIS

Chandler experienced significant new retail development in the early to middle part of the past decade, largely driven by the construction of Chandler Fashion Center and related developments, rapid population growth, excellent employment opportunities, high household incomes and the opening of the Santan Freeway (Loop 202). However, an end to this growth appears to be on the horizon. Residential development has rebounded somewhat, but not near levels seen in the middle of the past decade. Few retail projects have been started in the past several years, and many that were begun were not completed. It is expected that retail build-out will be complete by the end of this decade.

Population growth has slowed considerably over the past several years, as Chandler added approximately 120 citizens and 48 housing units per month over the past year. This is considerably less than prior years when growth of 500 or more residents per month was common.

Several retail and/or mixed use development projects continued to be delayed or completely stalled by current economic conditions, including Chandler Piazza (the retail portion has been demolished), The Shops at Chandler Heights, The Metropolitan and the redevelopment of East Valley Mall. However, the City received some positive news recently as the legal issues surrounding Elevation Chandler seem to have been resolved by the courts, and it appears that development of the site could occur in the near future.

An ongoing concern for staff is the number of vacant “big box” locations. These vacancies are largely the result of grocery store closures in recent years. Bashas’ store closures have added to this “big box” inventory as have other bankruptcies such as Ultimate Electronics, Circuit City, Border’s and Mervyn’s. Target’s relocation to Arizona Avenue and Ocotillo Road from their Alma School Road location provides a further challenge, and Big 5 recently made a similar move to the Fulton Ranch area. Staff creatively markets these sites to potential users, however, the current economic climate has reduced the level of interest and the number of large retail users has declined.

The City still has many strong performing retail centers, including the nearly three million square feet of development at Chandler Fashion Center and the surrounding power centers. A number of new tenants have been signed in the past year as the initial 10-year leases at the mall have expired. New tenants that have opened or are have obtained permits at the mall and surrounding areas include:

- Hobby Lobby
- Five Guys Burgers and Fries
- Freddie’s Steakburgers and Frozen Custard
- Jimmy John’s
- Ann Taylor
- Vera Bradley
- Lululemon Athletica
- Crocks
- The Art of Shaving
- Francesca’s Collection

RETAIL

Mayor's 4-Corner Retail Committee/Infill Incentive Plan

Economic Development staff provided support to the Mayor's 4-Corner Retail Committee during FY 2011-2012. The committee made 10 recommendations for Council consideration to revitalize the aging commercial corridors, primarily along Arizona Avenue, Alma School Road and Dobson Road. Staff will continue to work with appropriate staff to implement these recommendations, and inform key stakeholders of the changes and their impacts and benefits.

Staff will continue to promote the Infill Incentive Plan to the development community. The program provides incentives to property owners who undertake the complete redevelopment of an existing commercial center or introduce a new mix of uses. It is anticipated the redevelopment of existing retail centers in these areas will lower vacancy rates and the introduction of new uses will help support the remaining retail in this area.

TARGET MARKETS

Staff will continue to focus on the recruitment of new retailers, with a significant emphasis on bringing tenants to vacant "big box" buildings and older retail centers. A significant effort will be directed to specialty, recreational and entertainment-themed retailers and restaurants. Staff believes that the current level of maturation of the City makes unique, "first in market" retail and restaurant experiences desirable to residents. Staff will focus on these unique users in its continued pursuit of specific retailers while marketing the City's opportunities through direct mail campaigns and trade show attendance. Specific retail targets are:

- Automobile dealerships
- Specialty-themed restaurants
- Entertainment/recreation venues
- Home improvement/furnishings
- Sporting goods
- Full service hotels/resorts
- First in market retailers/destination retailers

FISCAL YEAR 2012-2013 OBJECTIVES

1. Continue recruiting major retailers and restaurants to enhance existing retail centers and help ensure completion of those centers that have not been completed.
2. Perform outreach to the development community to make them aware of retail opportunities in Chandler, particularly centers that have not been completed that can be completed or repurposed. Act as a liaison between these developers and the City to provide information about City requirements for completion of the project
3. Support the redevelopment of older existing retail centers through the Infill Incentive Plan. Make property owners/developers aware of incentives available for the redevelopment of these centers and encourage the introduction of a new mix of uses.
4. Provide services to the small business community, including conducting the annual Chandler Small Business Development Workshop, making the Small Business Guide available online, participating in Chandler Chamber of Commerce activities, organizing City-sponsored events and acting as a liaison to help resolve issues.

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5. Work with Tourism staff to continue identifying and recruiting destination retail and entertainment-themed development opportunities.
6. Assist in maintaining and updating the Shop Chandler website that will enable and encourage our residents to patronize businesses within the City for their consumer needs, thereby enhancing the viability of our businesses and maximizing sales tax revenues to the City.

IMPLEMENTATION STRATEGIES

Strategy	Action	Timeline	Cost
<p>Trade Shows</p> <p>Market the City to retailers, real estate brokers and developers in order to help ensure a vibrant retail environment.</p>	<ul style="list-style-type: none"> Exhibit/attend three International Council of Shopping Centers (ICSC) and entertainment/recreation conferences as opportunities arise. Produce brochures and marketing materials to support City messaging efforts. 	<p>September 2012</p> <p>January 2013</p> <p>May 2013</p> <p>TBD</p>	<p>\$9,000</p>
<p>Direct Contacts</p> <p>Increase awareness of the City through targeted direct mail campaigns in advance of trade show participation and by providing follow-up marketing materials after events.</p>	<ul style="list-style-type: none"> Conduct a direct mail campaign targeting retail and recreation companies, including restaurants, entertainment venues, hotels (full-service), auto dealers, home furnishings/ décor and other identified “big box” users. Follow-up as appropriate. 	<p>August 2012</p> <p>April 2013</p>	<p>\$1,500</p>
<p>Small Business Services</p> <p>Promote the development and expansion of small business.</p>	<ul style="list-style-type: none"> Along with the Chamber, Library and Diversity Office, conduct the annual Chandler Small Business Development Workshop. Produce the Chandler Small Business Guide in English and Spanish - make available on the website. Act as a liaison to small businesses in order to help resolve issues with City processes, including tax, license, permit and zoning issues. 	<p>April/May 2013</p> <p>Ongoing</p>	<p>\$3,500</p>

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Strategy	Action	Timeline	Cost
Website Information Provide relevant information that is vital to retailers, real estate brokers and developers and consumers.	<ul style="list-style-type: none"> Perform regular updates to retail information, including demographics, traffic counts, economic growth data and current projects on the Economic Development website. Assist in maintaining the Shop Chandler website to encourage the use of businesses within our City. Claritas subscription for demographic information. 	Quarterly	\$2,000
Brokerage Community Contacts/Networking Continue to build relationships with the local real estate community through networking events and presentations.	<ul style="list-style-type: none"> Continue on-going relationship building efforts by attending networking events and making presentations to brokers. Continue to provide a retail services program that provides the information the brokerage community needs. Subscribe to Crittendon Newsletter in order to have up-to-date information on current and potential retail users Promote the availability of the Infill Incentive Plan as a tool to spur redevelopment 	Continuous	\$2,000
Public Relations Campaign In conjunction with Communications and Public Affairs, promote Chandler by keeping the public/media informed.	<ul style="list-style-type: none"> Issue press releases as appropriate to inform the public of new projects, new retail establishments, Infill Incentive projects and important events Assist with City's Shop Chandler Program and the Chandler Restaurant Coalition to encourage city residents to spend their dollars in our community. 	Continuous	\$3,500

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Strategy	Action	Timeline	Cost
<i>Traffic Counts</i> In conjunction with the Public Works Transportation Division, conduct a traffic count analysis.	<ul style="list-style-type: none"> Assist in obtaining traffic counts for all major arterial streets and freeways in Chandler on an annual basis Update the website and other marketing materials to reflect current traffic counts in order to meet the needs of retailers, developers and brokers. 	Spring/Summer 2013	\$7,500
<i>Infill Incentive Plan</i> Utilize the Infill Incentive Plan (Formerly CRP) in order to assist property owners in the redevelopment of older existing retail centers	<ul style="list-style-type: none"> Promote the Infill Incentive Plan to property owners/ developers through trade show efforts, articles, press releases and direct mail campaigns Review program applications in order to recommend projects for approval to the City Council. Analyze current retail trends and prepare report to Council with recommended Infill Incentive Plan strategies as necessary. 	Ongoing	Per Council Approval
<i>Mayor's 4-Corner Retail Committee</i> Continue to assist in implementing and communicating changes in City policy as result of the committee's work	<ul style="list-style-type: none"> Organize events to ensure that the development/ brokerage community understands the recommendations and new guidelines that have been approved by Council. Produce reports recommended by the committee and distribute to relevant parties. 	Ongoing	\$3,000

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Office Industrial Situational Analysis

As the global recession set in, market fundamentals eroded and local and regional economies stagnated or declined. Weakened consumer and business confidence, rising unemployment and slowed manufacturing activity were all factors that impacted every aspect of economic development. Economic recovery in the U.S. is now poised to accelerate as confidence builds and more private capital comes off the sidelines.

While the market is unlikely to strengthen significantly in the coming quarters, the vacancy rate is forecasted to creep lower slowly. Construction will be limited for at least the next two years, and buildings will be delivered with tenants already secured.

Commercial real estate experts predict the Phoenix market will be slow to transition into recovery mode, as vacancy – while forecast to decline – will remain well above market levels for the next several quarters. Job growth is anticipated between 2.5-5% in FY 2012-2013, causing supply and demand to more closely align.

The recent passage of HB 2815, which includes the expansion of the Renewable Energy Tax Incentive Program to other export industries, (known as the Qualified Facility Income Tax Credit) offers a refundable income tax credit for qualified investments in headquarters, manufacturing, and research and development of export-oriented companies. This program and others will help strengthen our position among the Mountain West and attract sustainable businesses to Chandler.

Chandler's Office and Industrial Markets

Current State:

In Chandler, FY 2011-2012 saw a number of corporate tenants move from their wait-and-see position, choosing to move forward with major location decisions. Since 2008, Chandler's vacancy rates in both the industrial and office market rose sharply, reaching 12% and 25 % at their peaks respectively. Filling space is a priority for landlords and they are offering substantial economic concessions in the form of free rent and/or generous tenant improvement allowances in order to be more competitive. This coupled with quality properties in excellent locations has resulted in limited availability for large floor plate office and industrial buildings. For example, the largest existing office property on the market is the Chandler Midway Corporate Center at 55,900 SF.

Although speculative construction activity has virtually stopped throughout the metro area, the rezoning and forthcoming redevelopment of the former Motorola site presents a unique opportunity in the Price Corridor. "Continuum" will be aggressively marketed as one of the Southwest's premier business and technology parks. This positions Chandler to capture those companies interested in a signature location with campus-like amenities and excellent infrastructure.

Chandler realized benefit from a "flight to quality" within the region, as companies that could now afford an upgrade to their space, took advantage of lower prices. Even during the recession, Chandler has seen some of Greater Phoenix's most noteworthy announcements. These include Intel, eBay/PayPal, International Rectifier and B/E Aerospace.

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Forecast:

Interest levels remain steady, and demand will likely continue, although at a slower pace because tenants are cautious. Businesses are more likely to be conservative with their capital spending, meaning more location decisions will be put on hold or dramatically scaled back until the economy turns up. Companies with the good fortune of being in the position to expand will benefit greatly during negotiations, but may need to be operational quickly following their location decision. Both Chandler's industrial and office markets will have a strong pipeline for the coming year. Available inventory, however, may once again become a challenge. While Chandler still has outstanding land sites available, many companies are considering existing space.

Chandler's Office and Industrial Opportunities

Competitor Markets:

California has a highly publicized budget crisis and unfavorable operating conditions which present opportunity for recruitment as Greater Phoenix's business environment grows in appeal for expanding companies and those seeking to relocate. It also may present opportunities for Chandler companies to grow as they win supplier business and contracts over California companies that find it more difficult to compete due to the high cost of their current operating environment.

Industries to Pursue:

The Economic Development Office will continue to target the industries of Advanced Business Services, Aerospace/Aviation, Biotechnology, Electronics and Information/Communication Technology. However, more specific focus within those categories will be given to emerging and sustainable technology, nanotechnology, medical device and software development.

Until Innovations Technology Incubator opened its doors in April 2010, the challenge in attracting some of these firms was the lack of available lab space. "Innovations", along with a partnership with Gangplank, provided the needed specialized space to not only support the growth of life sciences, but also technology start-ups in Chandler. Look for both to expand in FY 2012-2013.

Additionally, predictions for job growth out of the recession indicate a greater percentage of the labor force will be independent workers. Chandler will increase its focus on advocating for and promoting conditions that are favorable to location neutral earners, serial entrepreneurs and creative tech ventures.

In conclusion, this market continues to be one of the best value propositions in the nation. Attention should be given to affordable workforce housing and meeting the lifestyle expectations of the creative class. Because of the region-wide vacancy rate, there are multiple quality opportunities from which to choose at extremely competitive lease rates. The City should also emphasize its reputation for speed to occupancy for tenants seeking new space. Chandler must also continue to build and preserve strong relationships with existing businesses and work to remove barriers to their success.

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Target Markets

Marketing activities for Industrial/Office recruitment and retention and expansion programs will compliment marketing and advertising activities conducted by partner relationships with the Greater Phoenix Economic Council (GPEC), the Arizona Commerce Authority (ACA) and Chandler Chamber of Commerce.

Based on target marketing efforts of the GPEC Economic Development Director's Team (EDDT), the Division has identified the following target industries for Chandler to focus its recruitment efforts on:

- Advanced Business Services, including data processing, software design, financial services and other office sectors.
- Aerospace/Aviation-related industries for Chandler Municipal Airport, the Chandler Airpark Area as well as other areas conducive to the market.
- Bio-industry companies, including medical device manufacturing, products and services related to medicine, health-related technologies, nanotechnology and research applications.
- Information/Communication Technology (formerly referred to as Telecommunications), including software and programming design, Internet infrastructure and others.
- Electronics sector industries, including semiconductor/chip products, computers, printed circuit boards, computer hardware, relays and controls and related products.

FISCAL YEAR 2012-2013 OBJECTIVES

1. Diversify the community's economy through targeted recruitment of specific segments outside the semiconductor-manufacturing field.
2. Maintain inventory of underutilized parcels and buildings; employ a marketing strategy that matches these parcels to specific business interests and emerging entrepreneurs.
3. Pursue companies within target industries & competitor markets that are exhibiting predictive changes (in product lines, management, workforce, budget, etc.) through multiple touch points.
4. Continue growth in the high tech sector while diversifying the community's economy through targeted recruitment of specific segments outside the semiconductor-manufacturing field.
5. Grow linkages with Arizona State University (ASU), Northern Arizona University (NAU), the University of Arizona (UA) and Chandler-Gilbert Community College.
6. Promote Chandler's assets as they relate to researchers, start-ups and technology entrepreneurs, including Continuum, Innovations Technology Incubator, Gangplank and a wide variety of support services such as meeting facilities and entrepreneurial networks.
7. Position Price Corridor to reflect its unique mix of housing, infrastructure and industry clustering that forms a "super-technology region".
8. Promote Innovations Technology Incubator and Gangplank and support tenants through educational opportunities and industry resources.

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9. Conduct Retention and Expansion visits to assist companies to grow and expand in the community and address any issues or perceived problems.
10. Continue to partner with GPEC and ACA on recruitment missions and opportunities to highlight Chandler to national and international businesses.
11. Work together with the airport manager to continue existing marketing strategies and implement new ones for the Airport and Airpark Area.
12. Partner with ASU, UA, NAU, Maricopa Community College District, Flinn Foundation, ACA and GPEC on statewide biotechnology marketing programs and messages.
13. Maintain relationships with developers and real estate representatives to help ensure appropriate inventory of commercial buildings in strategic geographic locations/employment corridors (Airpark, West Chandler, North Chandler, Price Corridor) and assist in marketing real estate opportunities.

IMPLEMENTATION STRATEGIES

Strategy	Action	Timeline	Cost
Marketing Materials Employ a multi-faceted, integrated approach (relationship marketing, sales missions, media, collateral materials, etc) to provide an overview of Chandler's business environment and showcases its attractiveness & work-life balance as it appeals to today's high-quality / knowledge-economy employers.	<ul style="list-style-type: none"> Staff will update market materials (community profile and supporting informational pieces) to portray a strong, appealing business image. Additional pieces will be created in house as necessary. Continue to provide data-driven electronic and printed information and enhance delivery methods and drive traffic directly to Chandleraz.gov/ED. 	Ongoing	\$10,000
Gangplank Enhance Chandler's position as a location of choice for the "creative class" and location neutral earners with a focus on tech startups.	<ul style="list-style-type: none"> Promote collaborative workspace and educational opportunities. Maximize use of public spaces for camps and workforce development programs when possible. Partner to deliver notable tech events to draw talent from around the country to Chandler. 	July 2012 - June 2013	Per Professional Service Agreement

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Strategy	Action	Timeline	Cost
<p><i>Innovations</i></p> <p>Offer a novel, compelling and collaborative blend of services and resources for innovative entrepreneurs of the life sciences and emerging technology industries.</p>	<ul style="list-style-type: none"> Promote Innovations as one-stop- shop for instant turnkey facilities and access to resources to entrepreneurs and researchers. Utilize partnership with SBDC to create and grow the “TechEDge” Technology Education Series & Conference. Foster partnerships with service providers, industry leaders and resources in order to accelerate Innovations Tenants path to success. Publicize Innovations success to national business media and associated trade publications. 	<p>July 2012 - June 2013</p>	<p>\$5,000</p>
<p><i>Price Corridor</i></p> <p>Staff will work to position the Price Corridor as a destination for innovative thinkers and leading edge companies.</p>	<ul style="list-style-type: none"> Enhance national business media efforts (partner with CAPA) to inform national business media and trade publications of business growth, successes and new development. Work closely with key stakeholders to promote key messages to Chandler’s local business community and leadership. Use new marketing (printed and electronic) pieces to give an overview of the Corridor’s business environment by demonstrating its unique mix of housing, infrastructure, workforce and corporate neighbors. 	<p>July 2012 - June 2013</p>	<p>\$3,000</p>

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Strategy	Action	Timeline	Cost
<i>Industrial / Office New Business Recruitment Contract Services</i> Includes participation at GPEC, EDDT and ACA functions, marketing coordination, events, and on-going projects.	<ul style="list-style-type: none"> • Leverage key economic development organization partnerships (ACA, GPEC & Chamber) to augment business attraction efforts. • On-going marketing and project response for GPEC and ACA. 	July 2012 - June 2013	\$ 92,897
<i>Trade Shows/Prospect Trips</i> Staff will participate in trade show & prospect sales trips with GPEC and ACA.	<ul style="list-style-type: none"> • Plan trade shows/prospect trips and set appointments; Focus on trips in clustered industry and geographic areas. Thirteen (13) prospect trips and trade shows are planned during the fiscal year with a strong focus on the California and technology markets. • August — AUVSI Trade Show (Aviation and Aerospace) (Las Vegas) • September* – Los Angeles Prospecting • October – NBAA Orlando • October - CoreNet Global Annual Summit (Orlando) • October* – Dallas Prospecting • November – AzBIA/TechEDge Conference - Chandler • November* —Bay Area • November —Arizona Entrepreneurship Conference • February – Medical Design and Manufacturing – (OC, CA) • April—AZBio Trade Show • April —Bio International – 	July 2012 - June 2013	\$15,000

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Strategy	Action	Timeline	Cost
	<p>Washington DC</p> <ul style="list-style-type: none"> • May* — New York Prospecting • May* – Bay Area Prospecting • May*—New York • June* – Chicago Prospecting <p><i>* May be subject to GPEC's travel schedule.</i></p>		
<p>Chandler Airpark and Airport</p> <p>Collaborate to implement marketing strategies for the Airport and Airpark Area.</p>	<ul style="list-style-type: none"> • Airport focus in new marketing materials (move towards creating an “executive airport” image vs. sports enthusiast/hobbyist airport). • Target marketing at the NBAA trade show. • Direct mail campaign. • Collaborate with CAA. 	<p>July 2012 - June 2013</p>	<p>\$5,000</p>
<p>Direct Contact</p> <p>Campaigns will be directed to five targeted industry groups and will include mailing recruitment packages and direct follow-up calls.</p>	<ul style="list-style-type: none"> • Pursue companies within target industries & competitor markets that are exhibiting predictive changes (in product lines, management, workforce, budget, etc.) through multiple touch points. • Continue relationship marketing with regular contact with site selectors, CEO's and developers. 	<p>July 2012 - June 2013</p>	<p>\$2,500</p>
<p>International Programs</p> <p>Network with key international contracts to gain a better understanding of the</p>	<ul style="list-style-type: none"> • Continue to network with Arizona Global Network, ACA, GPEC, U.S. Department of Commerce and other international brokers regarding 	<p>July 2012 - June 2013</p>	<p>\$0</p>

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Strategy	Action	Timeline	Cost
people, companies and other linkages that connect our market to the targeted countries.	<p>business development and trade opportunities.</p> <ul style="list-style-type: none"> Explore relationships with Arizona Consular Corp in order to promote Arizona (28 counties are represented in this group). 		
<p>Public Relations Campaign</p> <p>Continue press release campaign to increase awareness and exposure of programs available for prospective and existing business and provide awareness about development opportunities.</p>	<ul style="list-style-type: none"> Ongoing press release campaign. Leverage GPEC's national/international earned media program. Implement an e-news blast system (compatible with new branding) for short, up-to-the minute alerts for big announcements to identified stakeholders. 	July 2012 - June 2013	\$0
<p>Broker/Developer Services and Networking</p> <p>Promote opportunities to commercial real estate firms to continue efforts focused on the real estate strategy and to secure time in front of those who actively promote Chandler real estate to deliver updated Chandler identity.</p>	<ul style="list-style-type: none"> Present services overview and community information. Secure speaking engagements to civic and community groups, associations, etc. to share services, success and community information. Demonstrate Division's services to add value to the company location process. 	July 2012 - June 2013	\$1,000

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Strategy	Action	Timeline	Cost
<p>Industrial / Office Existing Business Services</p> <p>Work closely with local and regional groups on business assistance programs and services that benefit Chandler employers.</p>	<ul style="list-style-type: none"> Continue to partner with Chandler Chamber of Commerce and APS on existing business retention/expansion visits. Strengthen current R&E program. Participation/sponsorship in business services programs. 	<p>July 2012 - June 2013</p>	<p>\$6,325</p>
<p>Business Development Programs</p> <p>Manage and market the City's business development programs. Staff will emphasize locations and target companies that may be offered potential benefit of Chandler Industrial Development Authority, Arizona Commerce Authority Workforce Training Program, Maricopa Workforce Connection Job Training Program and On-The-Job Training Programs and SBA Loan programs.</p>	<ul style="list-style-type: none"> On-going marketing of business development programs. Direct mail campaign to existing businesses. Participate in the Chandler Industrial Development Authority process. Promote business assistant programs such as the job training grants, enhanced R&D tax credit and business solutions/rebates from local utilities. 	<p>July 2012 - June 2013</p>	<p>\$4,000</p>

TOURISM

TOURISM SITUATION ANALYSIS

Arizona's tourism industry began to see a softening in the Phoenix metro market in late 2008, the generally negative economic conditions worsened and spiraled down in 2009 with double-digit decreases in occupancy, average rate, and RevPAR (revenue per available room). The economic downturn affected all industries and has been plagued by high unemployment, high foreclosure rates, as well as weakened consumer and business confidence. In 2009, business travel, corporate meetings, and leisure travel all experienced sharp declines as people and companies alike reduced their expenses to compensate for revenue reductions. Companies also felt the pressure to eliminate travel to perceived luxurious destinations like Arizona in what is often cited as the AIG effect. There was also backlash to SB 1070.

In addition to the economic challenges of 2009, Chandler also experienced a dramatic increase in product inventory with the opening of five additional hotels resulting in a 41.9% increase in the community's inventory from 1,768 to 2,510 guest rooms. This does not include the additional hotel rooms added to neighboring communities including Gilbert and the Gila River Indian Community.

In 2010, Chandler along with the metro-Phoenix market began to see some positive movement in hotel occupancy at the expense of rate. Revenue per available room (RevPAR) did experience modest increases due to the improved occupancy figures, but hotels throughout the valley sacrificed lower rates in an effort to stimulate demand and drive occupancy figures. In 2010, the lower average daily rates (ADR) pitted luxury hotels and select service properties against each other and often in competition for the same traveler.

Despite people's continuing concerns regarding the economy - some positive signs have been emerging although key tourism indicators are still down from peak demand in 2006/2007. In 2011, Chandler has been fortunate enough to be home of the 2nd largest private development project in the world, the Intel FAB 42 expansion, which has driven hotel occupancy along with strong retail and restaurant sales. In addition to the increase in business travel, the entire metro-Phoenix valley has experienced some slight growth in ADR as we moved into 2012, which is a positive indication that demand for our market is strengthening.

The following chart demonstrates how the City of Chandler and Metro Phoenix 2010 and 2011 calendar year end numbers compare.

	Occupancy		%Change	ADR		%Change	RevPAR		%Change
	2010	2011		2010	2011		2010	2011	
Chandler	56.30%	66.50%	18.60%	\$87.84	\$90.54	3.00%	\$49.45	\$60.24	22.20%
Metro Phoenix	55.80%	58.30%	4.40%	\$100.94	\$103.96	3.30%	\$56.34	\$60.58	7.80%

TOURISM

The tourism industry in Arizona continues to be fragile, but grows stronger every day. With the increased costs associated with food, oil, services, and taxes along with the discussion that the economy may experience a double-dip recession – people continue to be cautious with all of their buying decisions.

The Arizona Office of Tourism has identified current markets with a high propensity for travel. These markets include what can be typified as empty nesters who generally are between the ages of 45-64 with a household income of \$150,000 and greater. Of additional interest are the affluent baby boomers who are 45-54 years of age and possess a household income of \$150,000 and greater. Developmental markets include trailing baby boomer families who are between the ages of 35-44 and have a household income of \$75,000 and more, as well as Arizona residents between 35-64 years of age with a household income of \$50,000 and greater. Realizing that individuals who are likely to visit Arizona consist of young retirees, families and mature retirees, coupling this information with characteristics that define Chandler's own visitor profile, allows the City of Chandler to identify niche markets and support advertisements and marketing messages that target specific markets, thereby increasing the likelihood of their visit to Chandler.

As is true for most communities, reaching the pool of potential visitors has become increasingly difficult with increased competition and limited resources. The current economic situation has only exasperated the situation as similarly warm weather destinations have even copied Arizona's marketing tactics and targeted key feeder markets. Staff continues to think outside the box and develop partnerships to leverage limited marketing dollars. Regional partnerships make sense, especially when considering that most tourists are not sitting at home, planning a vacation and thinking – "should we go to Tempe this year or should we go to Chandler?". More likely, they are trying to decide between Phoenix and Orlando, or Paris and Rome. For this reason, the City of Chandler will partner with the Tempe Tourism Office to promote the Chandler/Tempe area as a preferred destination for Arizona vacations with our **Sunny Arizona** campaign.

Chandler staff will also continue to partner with the Descubre Phoenix visitors center in Hermosillo, Sonora Mexico and the Tempe Tourism office to promote the Chandler/Tempe area to the Sonoran drive market. This year's marketing strategy includes significant media outreach, print advertising, radio, television, and on-line promotions along with unique marketing opportunities.

During FY 2012, staff devoted a significant amount of time and resources to develop media outreach with key media professionals, which resulted in significant media coverage for Chandler. Many of Chandler's restaurants and family friendly activities along with the 1st Annual Chandler Science Spectacular event benefited from the media outreach. In addition to continuing the Chandler as a family travel destination, Chandler will partner with the Tempe Tourism Office to reach out to Sonoran media. Furthermore, staff is partnering with Cochise County, Tempe, and Tucson to promote our communities as a great road trip experience.

In addition, staff will work with Economic Development staff to research and identify new development uses which will not only increase the quality of life for the citizens of Chandler, but also provide unique experiences for visitors to Chandler and the metro Phoenix market.

TOURISM

TARGET MARKETS

With its limited budget, it is crucial that the City of Chandler continues to efficiently market Chandler throughout the year by targeting individuals with the greatest propensity to visit Greater Phoenix and persuade them to ultimately select Chandler. Previous research has shown that Chandler's typical visitor profile reflects individuals who are between 35 – 65 years of age, currently traveling at least three times per year, college educated and Internet users with a household income exceeding \$60,000. Based on this information, promotional strategies will focus on persons who enjoy the activities and amenities offered by Chandler and its neighboring communities.

To maximize efficiency and for the greatest return on investment, geographic primary and secondary markets have been selected based on visitor profiles obtained from a variety of sources.

- Through the Sunny Arizona marketing campaign, target AAA/CAA members and travel agents throughout the Midwest. Reach out to the existing database of AAA/CAA travel agencies will also be targeted for fall and spring travel seasons for the Sunny Arizona campaign.
- Partner with Descubre Phoenix and the Tempe Tourism Office targeting the Sonoran leisure traveler.
- Target consumers and travel agents in key feeder markets through various advertisements, travel shows and sales missions focused on increasing Chandler's exposure and increasing visitation to Chandler.

FISCAL YEAR 2012-2013 OBJECTIVES

1. Continue to develop Chandler's identity as an attractive leisure and business destination through the development and implementation of a multi-layered promotional campaign. This will be measured by the number of leads generated, number of visits to the website and number of visitor guides distributed.
2. Increase overnight stays and visitation at local events and key attractions in the City of Chandler as measured by hotel occupancy rates, bed tax collections, event attendance statistics and communication with key industry professionals. Staff will coordinate opportunities for Chandler hotels and attractions to reach potential travelers and decision makers.
3. Develop a system to accurately and efficiently capture consumer and travel agent data for expanding tourism promotions. Each promotional strategy will utilize a call to action and leads generated will be captured on Chandler's database.
4. Produce professional and creative advertising campaigns and collateral that reflects the City of Chandler.
5. Facilitate and develop partnerships within the community, with Arizona cities, state offices, and organizations who may have ties to the community and collaborate together to increase visitation to Chandler and support Chandler businesses.
6. Develop relationships with local, regional, and national media to create exposure for Chandler as a destination and Chandler businesses.
7. Operate a visitor's center, which provides local, regional and statewide travel information.
8. Work with Economic Development staff to identify unique destination and recreational opportunities for development.

TOURISM

IMPLEMENTATION STRATEGIES

Strategy	Action	Timeline	Cost
<i>Marketing & Advertising</i> Internet Advertising and publications are selected on a variety of factors including demographics, regional, state, and local marketing campaigns and costs. A majority of ad placements are covered through the Maricopa County Prop 302 Grant program that staff manages.	<ul style="list-style-type: none"> • Provide a consistent brand image for the Chandler tourism industry. • Create, develop, and implement Sunny Arizona marketing program promoting Chandler and Tempe targeting consumers in the Midwest, Northeast and Canada. • Develop and implement a marketing strategy targeting the Sonoran drive market. • Staff coordinates distribution of the Chandler Visitors Guide at Phoenix Sky Harbor Airport. 	July 2012- June 2013	\$250,555
<i>Internet Website Development and Maintenance</i>	<ul style="list-style-type: none"> • Work with a tourism website company to continually update and optimize the visitChandler.com website's enriched text and site optimization on a regular basis as well as submission to domestic and international search engines to attract potential visitors to the website. • Staff has also allocated funds for a targeted on-line campaign that will be integrated with our print campaigns. • Staff will also work with a website company to upgrade the tourism website. 	July 2012 - June 2013	\$75,970

TOURISM

Strategy	Action	Timeline	Cost
<i>Collateral Materials</i> Publications and marketing materials are designed and developed to educate and entice visitors to come to Chandler. Brochures are used to fulfill visitor requests, distribution at trade shows, sales missions, and media events.	<ul style="list-style-type: none"> Design, produce, and distribute the Official Chandler Visitors Guide as the City of Chandler's primary fulfillment piece. Design, produce, and distribute a Cactus League Spring Training map. 	July 2012 - June 2013	\$10,000
<i>Media/Sales Missions and Trade Shows</i>	<ul style="list-style-type: none"> Schedule meetings and coordinate events with qualified travel professionals and media representatives in key feeder markets to promote Chandler. Encourage local hospitality businesses to participate when appropriate and partner with AOT and Arizona CVBs /DMOs when possible. Currently staff have planned nine trade focused events and three media events for FY 2012. 	July 2012 - June 2013	\$25,000
<i>Familiarization Tours</i> More commonly known as a FAM, these community tours provide an opportunity for travel and media professionals to experience Chandler and enhance their knowledge of the area.	<ul style="list-style-type: none"> Staff currently has six FAM tours scheduled for FY 2013 but will partner with AOT, Arizona CVBs and community stakeholders to conduct FAM tours on an as needed basis. 	July 2012- June 2013	\$12,000
<i>Promotional Items</i>	<ul style="list-style-type: none"> Purchases will be made as necessary throughout the year for tradeshow, sales missions, media missions and special events. 	July 2012 - June 2013	\$4,000
<i>Tourism Industry Education /Networking</i>	<ul style="list-style-type: none"> Staff will attend local events such as the Governor's Conference on 	July 2012 - June 2013	\$2,000

TOURISM

Strategy	Action	Timeline	Cost
	Tourism, quarterly state tourism meetings, industry planning meetings, and host quarterly meetings for Chandler stakeholders.		
Memberships	<ul style="list-style-type: none"> Acquire and maintain membership in local, regional, state and national tourism organizations key to promoting Chandler as a travel destination. 	July 2012 - June 2013	\$3,000
Research	<ul style="list-style-type: none"> Staff will acquire monthly reports from Smith Travel Research to help document the success of promotions and possibly highlight opportunities for growth. 	July 2012- June 2013	\$3,750
Postage	<ul style="list-style-type: none"> Respond to leads generated as a result of promotional activities. Shipping materials for various sales related activities such as trade shows, sales missions, and special events. 	July 2012 - June 2013	\$15,000

Downtown Redevelopment

Downtown Redevelopment Situation Analysis

The City of Chandler has worked toward revitalizing and restoring Downtown Chandler to create a unique and exciting destination for both visitors and investors. The original townsite began in 1912 with the construction of the San Marcos Resort and surrounding commercial and residential areas. For many years, it served as the hub of the community, but as recently as a decade ago was in great disrepair.

The City began a comprehensive strategy to redevelop the area through direct investment and partnerships with private firms. In a relatively short period, it has created a huge transformation. The restoration of the historic building facades and the reintroduction of the original colonnades have created a welcoming atmosphere where people feel comfortable walking, dining and exploring. The Arizona Avenue improvements expanded the walkability of Downtown and City Hall added an iconic new building to our skyline. Both projects helped redefine Downtown's boundaries in people's minds and have set the stage for the expansion of Downtown beyond the Historic Square with new architectural forms and mixed-use developments. Additionally, both projects brought significant regional, national and international exposure to the Downtown by winning over 25 major awards combined, including two prestigious Crescordia Awards.

Downtown is currently reaping the rewards of significant investment both by the City and by our private partners. The retail vacancy rate currently stands below 1% and office vacancy is at 5.5%. Accordingly, a primary focus of the next five years will be the completion of development on the three City-owned redevelopment sites. Additionally, we will seek to increase the number of arts, cultural and entertainment facilities, and begin the work to expand Downtown success further south on Arizona Avenue.

PARTNERSHIPS

The evolution of Downtown Chandler has been aided by partners too many to name, and partnerships are key to the continued redevelopment of the area. One key partner in the administration of the Chandler Enhanced Municipal Services District (EMSD) is the Downtown Chandler Community Partnership. The EMSD is entering its sixth year of operation and was created to complement the services already provided by the City. Private property owners and businesses have chosen to pay an assessment to fund additional programs and services. The City also contributes to the District on a voluntary basis and contracts with the DCCP to manage District activities. The District programs include:

- **Marketing and Special Events** – Initiatives that enhance the overall image and marketability of Downtown Chandler to attract a wide array of consumers and promote Downtown shops, restaurants, lodging, recreation and other attractions. Many events have become Downtown standards and are enjoying great success. In addition to weekly Farmer's Markets in the high season to monthly ARTwalks, there are over 20 special events held Downtown, and several bring more than 10,000 out for a single event. In the past year, DCCP launched a new branding campaign and updated their materials and website to reflect the new image. This coming year, look for billboards, mailers and other consumer advertising utilizing the new logo. Please note that as the brand launched somewhat later than originally anticipated, the update of City marketing materials was strategically delayed to this Fiscal Year so as to be able to include the new brand.

Downtown Redevelopment

- **Safety and Beautification** – Downtown currently enjoys some of the lowest crime rates in the City, so the focus has moved to identifying and funding unique beautification efforts and implementing solutions to help address trash and parking issues. In the past year, a Centennial mural was installed, and a Valet Parking pilot was conducted. Upcoming projects include a contribution to help implement new district-wide signage and the continuation of due-diligence on a potential stage.
- **Downtown Liaison** – The District employs a full-time manager to direct and manage the District programs as well as serve as a liaison for business and property owners.

REDEVELOPMENT SITES

- Several sites have been acquired, cleared and designated as key redevelopment sites for the downtown area:
- **Sites 1, 2, and 3** – Located southwest of Chandler Boulevard and Arizona Avenue is San Marcos Commons, a mixed-use project featuring mission-style architecture with 79 urban-style residential town homes as part of Phase I. Phase II includes 139,000 square feet of office, restaurant and retail space, and a 540 space multi-level parking garage. The townhomes are 75% complete and the development agreement for the construction of Phase II (mixed-use buildings and garage) was signed in January 2011. City is in discussions with developer regarding progress of Phase II.
- **Sites 4 and 5** – These sites are due west of San Marcos Place and are entirely privately owned. A developer has created a vision for the property and is completing the assembly of the site. A development plan should be forthcoming by late 2012 or early 2013.
- **Site 6** – Situated south and west of the Historic Downtown Chandler Square, this site continues to be discussed with the developer who was selected through Site 6 RFP. It is Staff's hope that the City and the developer will reach consensus on a site plan and move forward towards negotiating a development agreement in the coming year.
- **Site 7** – The first phase of this redevelopment site, known as 123 Washington, includes 54 luxury town homes which are complete. Active planning and negotiation for the remainder of the Site (Arizona to Washington, Chandler to Buffalo) is underway.
- **Site 8** – A newly designated redevelopment site in 2010, the focus of this block is the revitalization of the structures on the site, which sits north of Frye, south of Chicago, and west of Arizona Avenue. Construction on Covo, at 55 W Chicago has begun with an anticipated opening of fall 2012. Additionally, the Wall Street complex is under new ownership who begun significant property improvements. Several new businesses have opened as well.

SOUTH ARIZONA AVENUE ENTRY CORRIDOR

In 2008, the Chandler City Council adopted the South Arizona Avenue Entry Corridor Study as the Arizona Avenue Area Plan, which established new development guidelines for the area south of Downtown, north of the Santan Freeway (Loop 202), east of Palm Lane and west of the Union Pacific Railroad tracks. This area, which will serve as the new entrance into Downtown Chandler, is among the oldest in the City and much of the current infrastructure does not meet the City's current demands or design standards. The adopted plan identified a need to modify the existing infrastructure to improve traffic circulation and utility service. During a Special Bond

Downtown Redevelopment

Election (May 2007), local voters approved a bond issue of approximately \$60 million that will provide conceptual planning, design and construction of the project.

The first project was the South Arizona Avenue improvements from Chandler Boulevard to Frye Road. The only other active project due to budget constraints is the acquisition of right-of-way for the completion of Washington Street from Fairview to Pecos on the east side of Arizona Avenue. Once the land is acquired, design will begin.

Additionally, staff is beginning the visioning process for the remaining \$45 million in bond authorization so that a strategy is ready when the economy and bonding capacity rebounds. Preliminary projects include:

- Improving the aesthetics along Delaware Street and the Union Pacific Railroad tracks
- Creating new urban space and aesthetic corridors along Washington Street
- Constructing new streets to improve traffic, bike and pedestrian access to new commercial development
- Replacing antiquated water, sewer and storm drain utilities in the roadway corridors
- Developing an open space plan for the corridor
- Phase II of the Arizona Avenue improvements (Frye Road to Pecos).

TARGET MARKETS

Last year, the focus of marketing efforts was filling the large office space left by the City when it moved into City Hall and filling the existing retail vacancies. Through Staff's efforts, the former City Hall building is now at 96% occupancy and there are only three small retail suites available in all of Downtown.

Given the incredibly low vacancy rates, Downtown has to turn away quality businesses that could add to the vitality of the area. Obviously, this is counter to the experience of much of the real estate market currently. Staff will continue to assist businesses in finding potential location opportunities, but the majority of effort will focus on the creation of new space. With the capital markets still constrained, staff will be working with our development partners to locate other potential revenue streams. For those sites where development is not progressing, staff is working to bring potential development partners in to discuss joint ventures and other partnership opportunities.

Staff will continue to share the great opportunities of investing in Downtown to brokers, investors, developers and media to support the consumer marketing efforts of our partners, and to hopefully bring in needed project financing.

Developers and investors specializing in successful redevelopment projects in the local and national market will be targeted for available redevelopment sites, emphasizing the following sectors:

- | | |
|-------------------------|-----------------------|
| • Commercial | • Cultural Facilities |
| • Entertainment | • Hotel |
| • Office | • Retail/Restaurant |
| • Multi-story mixed-use | • Urban residential |
| • Education | |

Downtown Redevelopment

FISCAL YEAR 2012-2013 OBJECTIVES

1. Complete construction of tenant improvements in the former Chicago yard for ASU occupancy.
2. Identify opportunities on the progress of San Marcos Commons Phase II.
3. Develop a final concept for Site 6.
4. Finalize a concept and development agreement for Site 7 – Phase II.
5. Work with the new San Marcos Resort owners on redevelopment opportunities.

IMPLEMENTATION STRATEGIES

Strategy	Action	Timeline	Cost
<i>Collateral Materials</i> <i>The City of Chandler will update marketing materials and will expand electronic access of marketing pieces as well as the creation of a new Downtown video.</i>	<ul style="list-style-type: none">• Develop materials for marketing packages and presentations that are integrated with DCCPs consumer branding campaign and the Economic Development marketing campaign promoting the City of Chandler.	July 2012 - June 2013	\$5,000
<i>Trade Shows</i> Staff will represent Downtown Chandler at relevant trade shows, association meetings, and target specialty retailers, brokers and developers.	<ul style="list-style-type: none">• Attend/exhibit three (3) Trade Shows: International Downtown Association, Urban Land Exchange Conference & ICSC Southwest Idea Exchange.	July 2012 - June 2013	\$5,000
<i>Internet Website Development and Maintenance</i> Update Downtown web pages to match new branding campaign and provide visual tools to promote development opportunities, potential business locations, and promote visitation to Downtown Chandler.	<ul style="list-style-type: none">• Update web pages as needed but at minimum, on a quarterly basis.	July 2012- June 2013	\$0

Downtown Redevelopment

Strategy	Action	Timeline	Cost
Networking Build relationships and network with the retail and office brokerage community, to educate them on the existing opportunities in Downtown Chandler.	<ul style="list-style-type: none"> Attend regional and state meetings as well as coordinate one-on-one visits with retail and office brokerage community representatives. Conduct presentations/mailings to Brokerage/Development Community on an as needed basis.	July 2012-June 2013	\$2,000
Media Relations Develop press releases and work to attract media attention to promote Downtown developments and business opportunities.	<ul style="list-style-type: none"> Coordinate efforts with Communications and Public Affairs office to network with local and regional media contacts. 	July 2012-June 2013	\$0
Stakeholder Outreach Develop outreach program to facilitate communication and coordination between project owners, staff, business owners, and other parties impacted by upcoming Downtown developments.	<ul style="list-style-type: none"> Staff will serve on various Downtown boards and committees. Coordinate monthly, internal 'Downtown Coordination' meetings with key Staff to address Downtown specific issues. 	July 2012-June 2013	\$0
Arts and Culture District Target artists and arts related businesses to the Downtown area to add to the energy and cultural offerings of Downtown Chandler.	<ul style="list-style-type: none"> With the cancellation of the ARTyard RFP, the planned facility was reprogrammed to house the new ASU campus. Several other potential locations may exist and staff continues to examine the opportunities to pursue expanding arts, culture and entertainment opportunities Downtown. 	July 2012-Spring 2013	TBD

Downtown Redevelopment

Strategy	Action	Timeline	Cost
ASU and U of A Support As the Universities open their campuses in Downtown, aid in their marketing and integration efforts.	<ul style="list-style-type: none"> Complete construction on the ASU facility in Spring 2013. Develop opportunities for cross-promotion and coordination. 	July 2012-June 2013	TBD
Blue Peacock Reuse Situated in a prime location on the historic square between Brunchies and Inspirador, solicit various concepts to activate the space.	<ul style="list-style-type: none"> Staff is evaluating current RFP proposals. 	July 2012-June 2013	\$0
Business Support and Incentives Administer grants for several active projects where incentives were previously provided to improve existing buildings and assist new businesses with locating to Downtown Chandler.	<ul style="list-style-type: none"> Administer remaining Façade program funds. Continue providing location assistance. Post available properties on website. 	July 2012 - Spring 2013	\$508,000
EMSD Support Economic Development is responsible for administering the contract with the Downtown Chandler Community Partnership for the Chandler Enhanced Municipal Services District.	<ul style="list-style-type: none"> Review DCCP audits, participate in subcommittees, provide program guidance, take needed authorizations to Council, and administer program funds. 	July 2012 - Spring 2013	\$118,804
Built Environment Oversee the maintenance, remediation and demolition for properties purchased with the Downtown Redevelopment Area.	<ul style="list-style-type: none"> Provide ongoing property management and maintenance to Colonnade, public areas and parking lots. Special projects include: Park Bathroom remodel, Plaza improvements, Ramada removal, 	July 2011 - Spring 2012	\$275,000

Downtown Redevelopment

Strategy	Action	Timeline	Cost
	<p>and sidewalk re-staining projects.</p> <ul style="list-style-type: none"> Facilitate redevelopment project implementation. 		
<p><i>San Marcos Resort Redevelopment</i></p> <p>The Resort is currently bank owned and many interested parties have reached out to the City about potential future partnerships.</p>	<ul style="list-style-type: none"> As of this writing, the Resort has moved from receivership to full ownership by the bank. It is actively for sale and Staff has assisted numerous interested parties on their due-diligence on the property. When new ownership is identified, Staff will facilitate improvement plans and possible redevelopment. 	<p>July 2012 - Spring 2013</p>	<p>\$0</p>